

CITY COUNCIL AGENDA

JUNE 6, 2006

SYNOPSIS

LINDA J. LE ZOTTE
FORREST WILLIAMS
CINDY CHAVEZ, VICE MAYOR
CHUCK REED
NORA CAMPOS

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

RON GONZALES MAYOR

KEN YEAGER
MADISON P. NGUYEN
DAVID D. CORTESE
JUDY CHIRCO
NANCY PYLE

DISTRICT 6
DISTRICT 7
DISTRICT 8
DISTRICT 9
DISTRICT 10

Welcome to the San José City Council meeting!

This Agenda contains both a Consent Calendar section for routine business items that require Council approval, and general business items arranged to correspond with San José's City Service Areas (CSAs). City Service Areas represent the policy-making level for strategic planning, policy setting, and investment decisions in the critical functions the City provides to the community. They are:

- ***Strategic Support Services*** — The internal functions that enable the CSAs to provide direct services to the community in an effective and efficient manner.
- ***Community & Economic Development*** — Manage the growth and change of the community in order to create and preserve healthy neighborhoods and ensure a diverse range of employment and housing opportunities.
- ***Neighborhood Services*** — Serve, foster, and strengthen community by providing access to lifelong learning and opportunities to enjoy life.
- ***Transportation & Aviation Services*** — A safe and efficient transportation system that contributes to the livability and economic health of the City; and provide for the air transportation needs of the community and the region at levels that is acceptable to the community.
- ***Environment and Utility Services*** — Manage environmental services and utility systems to ensure a sustainable environment for the community.
- ***Public Safety Services*** — Commitment to excellence in public safety by investing in neighborhood partnerships as well as prevention, enforcement, and emergency preparedness services.

Items listed in Section 9 require approval of both the City Council and the San José Redevelopment Agency Board.

You may speak to the City Council about any item that is on the agenda, and you may also speak on items that are not on the agenda during Open Forum. If you wish to speak to the City Council, please refer to the following guidelines:

- **Fill out a Yellow Speaker's Card and submit it to the City Clerk seated at the front table. Do this before the meeting or before the item is heard.** This will ensure that your name is called for the item(s) that you wish to address, and it will help ensure the meeting runs smoothly for all participants.
- When the Council reaches your item on the agenda, Mayor Gonzales will open the public hearing and call your name. Please address the Council from the podium, which is located to the left of the City Clerk's table.
- Each speaker generally has two minutes to speak per item. The amount of time allotted to speakers may vary at the Mayor's discretion, depending on the number of speakers or the length of the agenda.
- To assist you in tracking your speaking time, there is a display on the podium. The green light turns on when you begin speaking; the yellow light turns on when you have 30 seconds left; and the red light turns on when your speaking time is up.

Please be advised that, by law, the City Council is unable to discuss or take action on issues presented during Open Forum. According to State Law (the Brown Act) items must first be noticed on the agenda before any discussion or action.

The San José City Council meets every Tuesday at 1:30 p.m. and every first and third Tuesday at 7 p.m., unless otherwise noted. If you have any questions, please direct them to the City Clerk's staff seated at the tables just below the dais. Thank you for taking the time to attend today's meeting. We look forward to seeing you at future meetings.

Agendas and Staff Reports for City Council items may be viewed on the Internet at www.sanjoseca.gov/clerk/agenda.asp

To arrange an accommodation under the Americans with Disabilities Act to participate in this public meeting, please call (408) 535-1260 or (408) 294-9337 (TTY) at least two business days before the meeting.

On occasion the City Council may consider agenda items out of order.

- **Call to Order and Roll Call**
9:31 a.m. - Closed Session, City Hall Tower, 18th Floor, City Hall
Absent Council Members: Gonzales. (Excused)

1:30 p.m. - Regular Session, Council Chambers, City Hall
Absent Council Members: Gonzales. (Excused)
- **Invocation (District 6)**
The Silicon Valley Gay Men's Chorus, performing in recognition of the month of June as Gay and Lesbian Pride Month
- **Pledge of Allegiance**
Vice Mayor Chavez led the Pledge of Allegiance.
- **Orders of the Day**
The Orders of the Day and the Amended Agenda were approved.

1. CEREMONIAL ITEMS

- 1.1** Presentation of a commendation to City of San José employees for their contributions as outstanding blood donors to the American Red Cross and promotion of the upcoming Employee Services sponsored Blood Drive on Wednesday, June 14, 2006. (City Manager's Office)
Vice Mayor Chavez and Employee Services Director Mark Danaj presented a commendation to City employees.
- 1.2** Presentation of a commendation to Windmill Springs Elementary School for its achievement as a California Distinguished School from the State of California. (Nguyen)
Vice Mayor Chavez and Council Member Nguyen presented a commendation to the Windmill Springs Elementary School for its achievement.

1. CEREMONIAL ITEMS

- 1.3 Presentation of a proclamation declaring June 6, 2006 as “Stop the Violence Day” in the City of San José. (Chavez)
(Rules Committee referral 5/31/06)
Vice Mayor Chavez declared June 6, 2006 as “Stop the Violence Day” in the City of San José.

2. CONSENT CALENDAR

- 2.1 **Approval of Minutes.**
There were none.

- 2.2 **Final adoption of ordinances.**

Recommendation: Final adoption of ordinances:

- (a) ORD. NO. 27761 – Amends Section 13.28.140 of Chapter 13.28 of Title 13 of the San José Municipal Code to increase the posting period for potential street tree removals from seven to fourteen days and if no timely objection has been received by the Director of the Department of Transportation, the proposed street tree removal may be carried out seventeen days from the initial date of posting, and amends Section 13.28.340 of Chapter 13.28 of Title 13 to increase the potential maximum civil penalty for removal or destruction of heritage trees within a three year period from five thousand dollars to thirty thousand dollars.

Ordinance No. 27761 adopted.

- (b) ORD. NO. 27755 – Rezoning certain real property situated at the northeast corner of East Taylor Street and North Sixth Street to A(PD) Planned Development Zoning District. PDC05-094

Ordinance No. 27755 adopted.

- (c) ORD. NO. 27756 – Rezoning certain real property situated on the north side of East Gish Road approximately 300 feet westerly of Oakland Road to A(PD) Planned Development Zoning District. PDC03-099

Ordinance No. 27756 adopted.

- (d) ORD. NO. 27757 – Amending Section 20.40.100 of Chapter 20.40, Section 20.50.100 of Chapter 20.50, Section 20.70.100 of Chapter 20.70, Sections 20.80.2020 and 20.80.2030 of Chapter 20.80 and Section 20.100.500 of Chapter 20.100, all of Title 20 of the San José Municipal Code, to enact further permit streamlining measures pertaining to minor additions to nonresidential buildings and to temporary and standby generators in nonresidential districts and to create a permitting process for wineries and breweries in commercial zoning districts.

Ordinance No. 27757 adopted.

2. CONSENT CALENDAR

2.3 Approval of a Voter-Owned Campaign Appropriation.

Recommendation: Approval of the following 2005-2006 appropriation ordinance amendments in the General Fund:

- (a) Increase the City-wide Elections Commission appropriation in the amount of \$50,000 for expenses related to the implementation of the Voter-Owned Campaign Ordinance.
- (b) Decrease the Contingency Reserve by \$50,000.

CEQA: Not a Project. (City Manager's Office)

(Referred from 5/16/06 – Item 3.5)

Ordinance No. 27764 adopted.

2.4 Approval of fiscal actions for Redevelopment Agency Capital Projects.

Recommendation:

- (a) Adoption of the following 2005-2006 appropriation ordinance and funding sources resolution amendments in the Services for Redevelopment Capital Projects Fund (City-side Redevelopment Fund):
 - (1) Increase the estimate for Earned Revenue by \$30,423.
 - (2) Establish an appropriation to the Department of Transportation for the Santa Clara Street Festoon Lighting Improvement Project (PSM #447) in the amount of \$30,423.

Ordinance No. 27765 adopted.

Resolution No. 73186 adopted.

- (b) Adoption of a resolution making certain determinations regarding the related expenditure of Redevelopment Agency funds on certain public improvements in connection with:
 - (1) The Santa Clara Street Festoon Lighting Improvement Project as more specifically described in the memorandum from the Redevelopment Agency, dated May 5, 2006.

CEQA: Not a Project. Council District 3. (City Manager's Office)

Resolution No. 73187 adopted.

2.5 Approval of fiscal actions related to the Convention Center Capital Improvement Needs.

Recommendation: Adoption of the following appropriation ordinance amendments:

- (a) Establish an appropriation in the General Fund for the Convention Center Fire Attenuation System for \$247,000.
- (b) Establish an appropriation in the General Fund for the Convention Center VFD Drive for \$7,000.
- (c) Increase the appropriation in the General Fund for Convention Center Marquee by \$53,000.

(Item continued on the next page)

2. CONSENT CALENDAR

2.5 Approval of fiscal actions related to the Convention Center Capital Improvement Needs (Cont'd.)

- (d) Establish an appropriation in the General Fund for Electrical Substation Transformers for \$120,000.
 - (e) Decrease the California Theater Reserve by \$427,000.
 - (f) Establish an appropriation in the Convention and Cultural Affairs Fund for Miscellaneous Improvements and Repairs for \$9,368.
 - (g) Increase Earned Revenue in the Convention and Cultural Affairs Fund by \$9,368.
- CEQA: Not a Project. (City Manager's Office)

Ordinance No. 27766 adopted.

2.6 Approval to set Public Hearings on the Business Improvement Districts.

Recommendation:

- (a) Preliminary approval of the report as filed by the Japantown Business Improvement District Advisory Board or as modified by Council, and adoption of a resolution of intention to levy the annual assessment for 2006-07, and set June 20, 2006 at 1:30 p.m. as the date and time for the public hearing on the levy of the proposed assessments. CEQA: Exempt, PP03-05-165. Council District 3. SNI: 13th Street. (Economic Development)

Resolution No. 73188 adopted.

- (b) Preliminary approval of the report as filed by the Willow Glen Business Improvement District Advisory Board, or as modified by Council; and adoption of a resolution of intention to levy the annual assessment for 2006-2007, and set June 20, 2006 at 1:30 p.m. as the date and time for the public hearing on the levy of the proposed assessments. CEQA: Exempt, PP03-05-165. Council District 6. (Economic Development)

Resolution No. 73189 adopted.

- (c) Preliminary approval of the report as filed by the Hotel Business Improvement District Advisory Board or as modified by Council, and adoption of a resolution of intention to levy the annual assessment for 2006-07, and set June 20, 2006 at 1:30p.m. as the date and time for the public hearing on the levy of the proposed assessments. CEQA: Exempt, PP03-05-165. Council District 3. SNI: 13th Street. (Economic Development)

Resolution No. 73190 adopted.

- (d) Preliminary approval of the report as filed by the Downtown Business Improvement District Advisory Board, or as modified by Council; and adoption of a resolution of intention to levy the annual assessment for 2006-2007, and set June 20, 2006 at 1:30 p.m. meeting as the date and time for the public hearing on the levy of the proposed assessments. CEQA: Exempt, PP03-05-165. Council District 3. SNI: St James Square, University, Josefa/Auzerais, Burbank/DelMonte. (Economic Development)

Resolution No. 73191 adopted.

2. CONSENT CALENDAR

2.7 Approval to purchase a Sobriety Checkpoint Vehicle.

Recommendation: Report on bids and approval of the award of the purchase of one Sobriety Checkpoint Vehicle from Matthews Specialty Vehicles, the only responsive bidder, in an amount not to exceed \$305,666.61, and authorization to the Director of Finance to execute the purchase order. CEQA: Not a Project. (Finance)

Approved.

2.8 Approval of an agreement for the exchange of easements in Alum Rock Village.

Recommendation:

- (a) Approval of the agreement between the City of San José and Anthony Caruso for the exchange of easements in Alum Rock Village; and,
- (b) Adoption of a resolution delegating authority to the Director of General Services to execute all documents necessary to complete the transfer of each property.

CEQA: Exempt, H04-046. Council District 3. SNI: Spartan/Keyes. (General Services)

Deferred to 6/27/06.

2.9 Approval of actions to transfer property to the Santa Clara Valley Water District.

Recommendation:

- (a) Adoption of a resolution authorizing the Director of General Services to execute all documents necessary to complete the transfer of real property located at 375 McLellan Avenue, comprising approximately 6,210 square feet, to the Santa Clara Valley Water District.

Resolution No. 73192 adopted.

- (b) Adoption of the following amendments to the annual appropriation ordinance in the Building and Structure Construction Tax Fund:

- (1) Establish a transfer to the General Fund in the Building and Structure Construction Tax Fund in the amount of \$245,000 for the Foxworthy Bridge Mitigation Project.
- (2) Reduce the Foxworthy Bridge Mitigation appropriation in the amount of \$245,000.

CEQA: Exemption, PP06-078. (General Services/Transportation/City Manager's Office)

Ordinance No. 27767 adopted.

2.10 Approval of a Grant Agreement for the Bay Trail Reach Project.

Recommendation: Adoption of a resolution authorizing the City Manager to negotiate and execute an ABAG Planning Grant Agreement for an amount not to exceed \$95,000 for the Bay Trail Reach 9B Project. CEQA: Mitigated Negative Declaration, PP02-05-116. Council District 4. (Parks, Recreation and Neighborhood Services)

Resolution No. 73193 adopted.

2. CONSENT CALENDAR

2.11 Approval of actions related to the annexation of McKee No. 130.

Recommendation: Adoption of a resolution initiating proceedings on the reorganization of territory designated as McKee No. 130 which involves the annexation to the City of San José of 10.88 acres of land more or less, located at the southwest corner of Capitol Avenue and Mabury Road and adjacent to the City of San José annexation McKee Nos. 122, 78-A, 80, 115, 84, and 97 and the detachment of the same from Central Fire Protection, and Area No. 01 (Library Service) County Service Districts. CEQA: Mitigated Negative Declaration (File No. PDC05-060). Council District 4. (Planning, Building and Code Enforcement)

Resolution No. 73194 adopted.

2.12 Approval to amend the Police and Fire Retirement Plan.

Recommendation: Approval of an ordinance amending Chapter 3.36 of Title 3 of the San José Municipal Code to clarify various provisions of the Police & Fire Retirement Plan with respect to compliance with requirements of the Internal Revenue Code. CEQA: Not a Project. (Retirement Services)

Ordinance No. 27768 passed for publication.

2.13 Approval to award a contract for sidewalk accessibility improvements.

Recommendation: Report on bids and award of contract for the 2005-2006 Curb Ramp Improvements in qualified low-to-moderate income areas project to the low bidder, Vanguard Construction, in the amount of \$284,395, and approval of a contingency in the amount of \$14,220, for a total contract amount not to exceed \$298,615. CEQA: Exempt, File No. G70, FY 05-06. Council Districts 1, 3, 5, 6, 7, and 10. (Transportation)

Approved.

2.14 Approval of an agreement with the City of Campbell for street maintenance.

Recommendation: Approval of a cooperative agreement with the City of Campbell to perform street maintenance on sections of Bascom Avenue from East Mozart Avenue to Hamilton Avenue, with a contribution from the City of Campbell in an amount not to exceed \$484,395. CEQA: Exempt, File No. PP04-233. Council Districts 6 and 9. (Transportation)

Approved.

2.15 Appointments to the Airport Noise Advisory Committee.

Recommendation: Approval of the appointment of Mr. Xavier Campos, City of San José Planning Commission, and Mr. Yen Chen, Associate Planner, City of Santa Clara Planning Department, to the Airport Noise Advisory Committee. (Airport)

Approved.

Disqualified: Campos.

3. STRATEGIC SUPPORT SERVICES

3.1 Report of the Study Session

Mayor Gonzales, Chair

No Report.

3.2 Report of the Rules Committee – May 24, 2006

Vice Mayor Chavez, Chair

(a) Redevelopment Agency items reported out at Redevelopment Agency meeting

(b) City Council

(1) Review June 6, 2006 Draft Agenda

(a) Adds to the June 6, 2006 Draft Agenda

After a lengthy debate over Council Member Cortese's request to place an item on the Council Agenda, the Committee approved the June 6, Draft Agenda with two additions, including direction to:

(1) The City Attorney to prepare a memorandum to the Council summarizing the actions the Council can take and outlining the pros and cons of any such action taken by the Council to release the information; and

(2) To Staff to forward to the Sunshine Reform Task Force for their discussion of the issue releasing to the public closed session information and/or materials.

(2) Add New Items to May 30, 2006 Agenda

(a) Mayor and Councilmember Requests

(b) Council Appointee Requests

None, the meeting was canceled.

(3) List of Reports Outstanding

There were none.

(c) Legislative Update

(1) State

Director Intergovernmental Relations Betsy Shotwell provided oral updates on the State Budget and "may revise", Proposition 42 (Transportation) and other pending bills relating to housing.

(2) Federal

There were none.

(Item continued on next page.)

3. STRATEGIC SUPPORT SERVICES

3.2 Report of the Rules Committee – May 24, 2006 (Cont'd.)

Vice Mayor Chavez, Chair

(d) Meeting Schedules

- (1) Council Meeting Schedule, August 2006-January 2007. (City Manager)
The Committee approved the meeting schedule.

(e) The Public Record

The Committee noted and filed the Public Record.

(f) Appointments to Boards, Commissions and Committees

There were none.

(g) Rules Committee Reviews, Recommendations and Approvals

- (1) Approval of Travel by Councilmember Nora Campos to attend the National League of Cities Board of Directors Meeting in Roanoke, Virginia, July 20-23, 2006. (Campos)

This item was dropped by Council Member Campos.

- (2) Approval of Travel by Mayor Gonzales to attend the 74th Annual Meeting of the U.S. Conference of Mayors in Las Vegas, Nevada, June 4-6, 2006. (Mayor)

The Committee approved the travel request.

(h) Open Forum

Bill Chew discussed his candidacy for Council District 3 and urged people to vote.

(i) Adjournment

The meeting was adjourned at 2:40 p.m.

The Report of the Rules Committee and the Actions of May 24, 2006, were accepted.

3.3 Report of the Making Government Work Better Committee – May 18, 2006

Council Member Reed, Chair

(a) An Audit of the San José Municipal Water System Fire Hydrant Maintenance and Repair Program

The Committee accepted the report and forwarded the report to Council.

(b) FY 2005-2006 Third Quarter Debt Report

The Committee accepted the report and forwarded the report to Council.

(c) FY 2005-2006 Third Quarterly Summary – City's Investment Report

The Committee accepted the report and forwarded the report to Council.

3. STRATEGIC SUPPORT SERVICES

3.3 Report of the Making Government Work Better Committee – May 18, 2006 Council Member Reed, Chair (Cont'd.)

- (d) Report back from the Retirement Boards Regarding Conflict of Interest and “Exparte” Communications between Board Members with Actuaries
The Committee accepted the report and forwarded the report to Council.
- (e) Semi-Annual Audit Recommendations Follow-Up Report on all Outstanding Audit Recommendations for the Six Months Ended December 31, 2005
The Committee accepted the report to include comments from Chair Reed and Director Silva and forwarded the report to Council.
- (f) Independent Auditor’s Report and Financial Statements, and Report to City Council Results of the 2005 Financial Audit of the San José Convention Center and Cultural Facilities as Managed by Team San José, Inc. for the Fiscal Year Ended June 30, 2005
The Committee accepted the report and forwarded the report to Council.
- (g) Oral Petitions
Bill Chew reiterated his candidacy.
- (h) Adjournment
The meeting was adjourned at 2:15 p.m.

The Making Government Work Better Report and the Actions of May 18, 2006, were accepted.

3.4 Discussion and/or action related to the San José Mercury News Request for Information.

Recommendation: Discussion and/or action related to the San José Mercury News request for information for release of information associated with the November 29, 2005 Closed Session Council discussion and direction to staff regarding Silicon Valley Sports and Entertainment and the Earthquakes. (Cortese)

The Memorandum from Council Member Cortese was approved, with Staff directed to:

- (1) **Release information as described.**
- (2) **Refer the issue to the Sunshine Reform Task Force as a case study for developing criteria and guidelines for future requests for the release of Closed Session information.**

Noes: Campos, Chirco, Pyle, Williams.

3. STRATEGIC SUPPORT SERVICES

3.5 Approval to issue General Obligation Bonds (Series 2006).

Recommendation: Adoption of a resolution:

- (a) Authorizing the issuance of City of San José General Obligation Bonds, Series 2006 (Libraries and Parks Projects) (the “2006 Bonds”) in the not-to-exceed aggregate principal amount of \$110,100,000 to be sold at a competitive sale.
- (b) Approving, in substantially final form, the Fiscal Agent Agreement, the Official Notice Inviting Bids, and the Preliminary Official Statement; authorizing the City Manager or other authorized officers to execute these documents and other related documents as necessary in connection with the issuance of the 2006 bonds.

CEQA: Not a Project. (Finance)

Resolution No. 73195 adopted.

3.6 Resolution of support for the Marine Life Protection Act.

Recommendation: Adoption of a resolution of support for the Marine Life Protection Act (MLPA) as a means of ensuring a healthy and productive ocean for future generations of San José residents to visit and enjoy. (Campos)

(Rules Committee referral 5/31/06)

Resolution No. 73196 adopted.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.1 Report of the Building Strong Neighborhoods Committee – May 15, 2006 Council Member Chirco, Chair

- (a) Citywide Street Sweeping Update
The Committee accepted the Staff report with the request that Staff provide an information memorandum on the success rate of the areas which have parking prohibitions in place.
- (b) Vehicle Abatement
Dropped.
- (c) Parkland Dedication Ordinance and Park Impact Ordinance – Follow Up Discussion
Deferred to June 2006.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.1 Report of the Building Strong Neighborhoods Committee – May 15, 2006 (Cont'd.) Council Member Chirco, Chair

- (d) Strong Neighborhoods Initiative Report on New SNI Areas
The Committee accepted the Staff report with the request that Staff incorporate the following changes:
 - (1) **Framework:** Add a bullet – Neighborhoods feel a sense of ownership and empowerment
 - (2) **Implementation and Recommendation:** Recommend that Seven Trees Neighborhood and a neighborhood from District 9 be selected for the pilot program.
 - (3) **Next Steps:** The Committee requested that the timeline be revised and included in the next report. The Committee also requested a monthly status report be added to the Building Strong Neighborhoods Committee Work Plan.
- (e) Oral Petitions
 - (1) **Bill Chew** mentioned his candidacy, and also stated that there are broadcasting and networking options that would allow greater community participation.
 - (2) **Randi Kinman, Burbank/Del Monte Neighborhood Association,** stated the City and neighborhoods collaborate together as a team, including the Neighborhood Development Center, in order to create a toolbox for developing parks.
- (f) Adjournment
The meeting was adjourned at 2:15 p.m.

The Report of the Building Strong Neighborhoods Committee Report and the Actions of May 15, 2006, were accepted.

4.2 Report of the Driving a Strong Economy Committee Council Member Williams, Chair No Report.

5. NEIGHBORHOOD SERVICES

5.1 Report of the All Children Achieve Committee Council Member Yeager, Chair No Report.

5. NEIGHBORHOOD SERVICES

5.2 Approval of actions related to the Boys and Girls Club.

Recommendation: Adoption of a resolution authorizing the City Manager to negotiate and return to the City Council for approval of an agreement with the Boys and Girls Club (BGC) of Silicon Valley that consists of the following elements:

- (a) Acquire BGC's sports field property adjacent to the Smythe Clubhouse for an amount not to exceed \$1 million, and enter into a joint use agreement with BGC for the use of the sports field;
- (b) Work with BGC and third party non-profit organizations to develop an operations and fund development workplan to assist BGC in establishing a stable financial condition; and
- (c) BGC to assume operation of the afterschool and summer programming at Empire Gardens Elementary School while the City evaluates options for future community serving uses of the City's property at 110 E. Jackson Street.

CEQA: Exempt, File No. PP06-071. (City Manager's Office/Parks, Recreation and Neighborhood Services)

(Deferred from 5/9/06 – Item 5.8 and 5/23/06 – Item 5.2)

Resolution No. 73197 adopted, as amended.

The Staff recommendation was approved with further direction to:

- (1) **Work closely with the BGC and look for other opportunities in the greater downtown, as well as Empire Gardens Elementary School.**
- (2) **Include discussions around strategy with the nonprofits and be sensitive to the community and the existing providers.**

5.3 Follow-up to Facility Re-Use Request for Qualifications (RFQ) Process.

Recommendation:

- (a) Approval of the following actions:
 - (1) Conduct additional neighborhood specific outreach meetings, including a Council study session following the community process, and revising the Request for Qualifications (RFQ) for Facility Re-Use given the input obtained through the community process and;
 - (2) Explore revising the Healthy Neighborhoods Venture Fund (HNVF) and other major grant programs to follow a San José BEST Request for Qualifications model process or other best practices, beginning in July 2008 for the 2008-2009 cycle.

Approved, with the addition of direction to Staff:

- (1) **To explore revising HNVF to include focusing on process and reuse; and further,**
- (2) **To take that discussion to the HNVF Committee, who would make a recommendation to Council; and that it would include BEST or any other best practices that Staff deems appropriate, with the recommendation of the HNVF Committee.**

(Item continued on the next page)

5. NEIGHBORHOOD SERVICES

5.3 Follow-up to Facility Re-Use Request for Qualifications (RFQ) Process (Cont'd.)

- (b) Approval of the following amendments to the 2006-2007 Proposed Operating Budget:
- (1) Increase the Parks, Recreation and Neighborhood Services Department Personal Services appropriation by \$499,264 to continue operations at the facilities on the Re-Use list for a year at current levels;
 - (2) Increase the Parks, Recreation and Neighborhood Services Department Non-Personal/Equipment appropriation by \$94,445 to pay building utilities costs for the facilities on the Re-Use list for a year;
 - (3) Establish a reserve for the Parks, Recreation and Neighborhood Services Department in the amount of \$96,684 to fund in 2007-2008 building maintenance and utilities costs for community based organizations to use if awarded a school re-use facility for operations and maintenance;
 - (4) Increase the Parks, Recreation and Neighborhood Services Department Personal Services appropriation by \$116,418 and increase the Parks, Recreation and Neighborhood Services Department Non-Personal/Equipment appropriation by \$47,000 to continue operation of the Northside Community Center in the event there is no successful community based organization as a result of the RFP process currently underway;
 - (5) Establish a reserve for the Parks, Recreation and Neighborhood Services Department in the amount of \$142,000 to fund in 2007-2008 building maintenance and utilities costs for Northside Community Center in the event a community based organization is awarded the facility for operation and management and;
 - (6) Decrease the Enhanced Parks Maintenance Reserve by \$995,811. This Reserve will be used to fund a portion of the parks maintenance and operation costs for new facilities that are scheduled to come on-line in 2006-2007, thereby freeing up General Fund funding to support the recommendations above.

CEQA: Exempt, File No. PP06-044. (Parks, Recreation and Neighborhood Services/City Manager's Office)

(Deferred from 5/16/06 - Item 5.3)

Approved.

5. NEIGHBORHOOD SERVICES

5.4 Approval of funding commitments from the Home Investment Partnership Program.

Recommendation: Adoption of a resolution:

- (a) Approving a funding commitment for a loan of up to \$5,250,700 of HOME Investment Partnership (HOME) program funds to Charities Housing, a Community Housing Development Organization (CHDO), for the future development of a rental housing project affordable to extremely low- and very low-income households.
- (b) Approving a funding commitment of up to \$2,000,000 to Neighborhood Housing Services Silicon Valley (NHSSV) in HOME funds for the expansion of its homebuyer program for low-income households and approving a funding commitment for a total of \$450,000 of HOME administrative funds for the next three years to NHSSV for operating support as a CHDO.

CEQA: Not a Project. (Housing)

Resolution No. 73198 adopted.

6. TRANSPORTATION & AVIATION SERVICES

6.1 Report of the Building Better Transportation Committee Council Member Campos, Chair No Report.

6.2 Approval to award a contract for the Remove and Replace Asphalt Concrete Pavement Project.

Recommendation: Report on bids and award of contract for the Remove and Replace Asphalt Concrete Pavement 2006 Project to the low bidder, G. Bortolotto & Co., Inc. in the amount of \$2,061,573 and approval of a ten percent (10%) contingency amount of \$206,157. CEQA: Exempt, PP04-039. (Transportation)

Approved.

7. ENVIRONMENTAL & UTILITY SERVICES

7.1 Approval of actions related to the sale of the Las Plumas Avenue Property.

Recommendation:

- (a) Approval to discontinue planning for housing use of 4.27 acres of City property located at 1608 Las Plumas Avenue and direction to staff to initiate planning for potential use of the site for enhanced City environmental programs upon transfer of \$4,500,000 in ESD funds to the Multi-Source Housing Fund.

Approved.

- (b) Adoption of amendments to the annual appropriation ordinance and annual funding sources resolution as follows:
 - (1) In the San José/Santa Clara Treatment Plant Income Fund (514):
 - (a) Increase the revenue estimate by \$1,183,000.
 - (b) Establish a Transfer to the Multi-Source Housing Fund for Las Plumas Land Control in the amount of \$3,040,000.
 - (c) Decrease Ending Fund Balance by \$1,857,000.
 - (2) In the Integrated Waste Management Fund (423):
 - (a) Establish a Transfer to the Multi-Source Housing Fund for Las Plumas Land Control in the amount of \$1,460,000.
 - (b) Decrease the Environmental Services Non-Personal Services Appropriation by \$1,460,000.
 - (3) In Multi-Source Housing Fund (448):
 - (a) Establish a transfer to the Multi-Source Housing Fund of \$4,500,000 for the Las Plumas property.
 - (b) Decrease the Revenue in Multi-Source Housing Fund by \$4,350,000.
 - (c) Increase the Ending Fund Balance by \$150,000.

CEQA: Exempt, PP06-059. Council District 3. (Environmental Services/Housing/City Manager's Office)

Ordinance No. 27769 adopted.

Resolution No. 73199 adopted.

Staff was directed to:

- (1) **Consider the funding needs and a work plan for the Center for Training and Careers (CTC).**
- (2) **Return with an information memorandum updating the Council on both the CTC and San José Family Shelter project.**

8. PUBLIC SAFETY SERVICES

8.1 Approval of actions related to the relocation of Fire Station No. 25.

Recommendation:

- (a) Adoption of the following appropriation ordinance amendments in the Neighborhood Security Bond Fund (Fund 475):
 - (1) Increase the appropriation to the Fire Department for the Fire Station No. 25 – Relocation Project by \$1,147,000.
 - (2) Decrease the appropriation for the Fire Training Center Project by \$267,000.
 - (3) Decrease the contingency reserve by \$880,000.**Ordinance No. 27770 adopted.**
- (b) Report on bids and award of contract for the Relocation of Fire Station No. 25 Project to the low bidder, D.L. Falk Construction Inc., to include the base bid and Add Alternate Nos. 1 and 2 in the amount of \$3,703,800 and approval of a contingency in the amount of \$185,190.
Approved.
- (c) Approval of the first amendment to the agreement with BFGC Architects Planners, Inc. to increase the agreement compensation in the amount of \$68,800, for a total agreement amount of \$377,800.
CEQA: FS No. 25: Resolution No. 69636 and addenda thereto, File No. PP04-331.
Council District 4. (Public Works/Fire/City Manager's Office)
Approved.

9. JOINT COUNCIL/REDEVELOPMENT AGENCY

CONVENE REDEVELOPMENT AGENCY BOARD TO CONSIDER ITEM 9.1 IN A JOINT SESSION

9.1 Approval of actions related to the Strong Neighborhoods Initiative – renewing the action agenda framework.

Recommendation:

- (a) Approval of actions related to the Strong Neighborhoods Initiative - Renewing the Action Agenda Framework
- (b) Direction to take Building Strong Neighborhoods Committee beyond the redevelopment areas framework.

[Building Stronger Neighborhoods Committee 4/17/06 - Item 4.1 (c) and 5/2/06 - Item 4.3]
[Building Strong Neighborhoods Committee 6/6/06 – Item 4.1(d)]

To be heard in the evening.
Deferred to 6/13/06.

- **Closed Session Report**

City Attorney Doyle disclosed the following Closed Session action(s) of June 6, 2006:

A. Authority to Initiate Litigation:

Authority to initiate litigation was given in one (1) matter. The name of the action and the defendant(s), as well as the substance of the litigation shall be disclosed to any person upon inquiry once the action is formally commenced.

Council Vote: Ayes: Campos, Chavez Chirco, Cortese, LeZotte, Nguyen, Pyle, Reed, Williams, Yeager.

Noes: None.
Disqualified: None.
Absent: Gonzales.

B. Authority to Refrain from Seeking Appellate Review in a Litigation Case:

Case Name: Proposition 22 Legal Defense & Education Fund, et.al. v Gonzales, et.al.

Adverse Party or parties: Proposition 22 Legal Defense & Education Fund, et al.

Substance of Litigation: Challenge to City's policy regarding recognition of all marriages.

Council Vote: Ayes: Campos, Chavez, Chirco, Cortese, LeZotte, Nguyen, Pyle, Reed, Williams, Yeager.

Noes: None.
Disqualified: None.
Absent: Gonzales.

- Notice of City Engineer's Pending Decision on Final Maps**
 In accordance with Sec. 19.16.140d of the San Jose Municipal Code, this is notice of the City Engineer's pending decision on the following Final Maps:

<u>Tract</u>	<u>Location</u>	<u>Council District</u>	<u>Developer</u>	<u>Lots/Units</u>	<u>Type</u>	<u>Proposed Decision</u>
9644	South side of E. Williams Street, 400' w/o McLaughlin Avenue	3	KB Home South Bay	105 Units	SFDR	Approve

In accordance with Sec. 19.16.140d of the San Jose Municipal Code, this is notice of the City Engineer's receipt of the following Final Maps for review:

<u>Tract</u>	<u>Location</u>	<u>Council District</u>	<u>Developer</u>	<u>Lots/Units</u>	<u>Type</u>
9807	NE corner of Autumnvale Dr. and Trade Zone Blvd.	4	Citation Homes	12 Lots/ 104 Units	SFA
9820	E/S of Page St. 460' North of Ceichi Ave.	6	Mohamad Tisani	1 Lot/ 4 Units	MFA

- Notice of City Engineer's Award of Construction Projects**
 On October 25, 2005, City Council approved a one year pilot program that delegated authority to the Director of Public Works to award or reject bids on construction projects where the base contract amount is below \$1,000,000. In accordance with this policy, the following is a list of projects that were awarded or rejected by the Director of Public Works in May 2006

AWARD:

<u>Project Name</u>	<u>Council District</u>	<u>Contractor</u>	<u>Contract Award Amount</u>	<u>Award Date</u>
Holly Hill Infrastructure Improvement	7	Joseph J. Albanese, Inc.	\$89,985	5/15/06
Union Avenue/Los Gatos-Alamden Road Improvement	9	O'Grady Paving Inc.	\$411,286	5/19/06

REJECTION

<u>Project Name</u>	<u>Council District</u>	<u>Engineer's Estimate</u>
Kebble Ave. Sanitary Sewer Replacement	6	\$780,000

- **Open Forum**
 - (1) **Bill Chew discussed his candidacy for Council District 3 and urged people to vote.**
 - (2) **Daniel McCall expressed his viewpoints.**
 - (3) **Josh Rogers, April Whitney (Scoot! Magazine) and Bill Brierley, expressed concern about the lack of motorcycle parking in downtown San José.**
 - (4) **Robert Apgar voiced personal observations.**
 - (5) **Ross Signorino voiced opinions on the primary election campaign.**
 - (6) **Brad Imamura and Stephanie Menzies complained about Deferred Compensation plan changes, the noticing process and the actions of the Deferred Compensation Advisory Committee.**

- **Adjournment**

The Council of the City of San José adjourned at 4:18 p.m.

